




City of Loma Linda Official Report

Floyd Petersen, Mayor
Stan Brauer, Mayor pro tempore
Robert Christman, Councilmember
Robert Ziprick, Councilmember
Charles Umeda, Councilmember

COUNCIL AGENDA: May 23, 2006
TO: City Council
FROM: Dennis R. Halloway, City Manager 
SUBJECT: Purchase of Bear Valley Water Company shares

RECOMMENDATION

It is recommended that the City Council approve the purchase of 705 shares of Bear Valley Water @ \$125 per share and that they appropriate \$88,125 from the reserves of the Water Fund.

BACKGROUND

Staff has been contacted by the Loma Linda University Foundation with an offer to purchase 705 shares of Bear Valley Water at a price of \$125 per share. Recently, the Foundation received permission to sell the share they controlled. The Foundation wanted to give the city the first right to purchase the shares.

ANALYSIS

The city has had a long standing policy of purchasing Bear Valley Water shares whenever they become available. The last time we purchased shares was 1997 when we purchased 165 shares. Bear Valley water is currently used to irrigate both Hulda Crooks Park and Leonard Bailey Park.

ENVIRONMENTAL

None.

FINANCIAL IMPACT

The current balance of reserves in the Water Fund is approximately \$2 million.